

RESOLUTION NO. 08-05

**RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF LEASE REVENUE REFUNDING BONDS ON BEHALF OF THE OAKLAND UNIFIED SCHOOL DISTRICT IN AN AMOUNT NOT TO EXCEED \$68,000,000 FOR THE PURPOSE OF REFUNDING THE ISSUER'S STATE SCHOOL FUND APPORTIONMENT LEASE REVENUE BONDS (OAKLAND UNIFIED SCHOOL DISTRICT FINANCING) SERIES 2005C USED TO REIMBURSE A PORTION OF THE EMERGENCY APPORTIONMENT RECEIVED BY THE DISTRICT FROM THE STATE OF CALIFORNIA AND RELATED MATTERS**

April 15, 2008

**WHEREAS**, the California Infrastructure and Economic Development Bank (the "Issuer") is authorized to issue bonds pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (Division 1 of Title 6.7 of the California Government Code, Section 63000 and following, including particularly Section 63049.67 thereof, the "Act"), for the purpose of, among other things, refunding bonds of the Issuer issued to reimburse all or a portion of the emergency apportionment (the "Apportionment") received by the Oakland Unified School District (the "District") from the General Fund of the State of California (the "State");

**WHEREAS**, the District received the Apportionment from the State in one or more installments pursuant to Article 2.7 (commencing with Section 41329.50) of Chapter 3 of Part 24 of Division 3 of Title 2 of the Education Code;

**WHEREAS**, at the request of the District, the Issuer previously issued its \$59,850,000 aggregate principal amount of State School Fund Apportionment Lease Revenue Bonds (Oakland Unified School District Financing) Series 2005C ("the Prior Bonds") to provide funds for the reimbursement of a portion of the Apportionment, to fund necessary reserves, capitalized interest and credit enhancement costs, and to pay costs of issuing the Bonds;

**WHEREAS**, the District has requested that the Issuer issue bonds, in an aggregate principal amount not to exceed \$68,000,000 (the "Bonds"), to refund all of the outstanding Prior Bonds, to fund necessary reserves and, if applicable, credit enhancement costs and to pay costs of issuing the Bonds;

**WHEREAS**, pursuant to California Government Code Section 63049.67(a), the Board of Directors (the "Board") of the Issuer hereby acknowledges that the financing of emergency apportionments upon the request of a school district pursuant to Article 2.7 (commencing with Section 41329.50) of Chapter 3 of Part 24 of the Education Code, is in the public interest and is eligible for financing by the Issuer;

**WHEREAS**, pursuant to a Trust Agreement providing for the issuance of Bonds, dated as of April 1, 2008 (the "Trust Agreement") between the Issuer and U.S. Bank National

Association, as trustee (the "Trustee"), the Issuer will provide for the issuance of the Bonds in one or more series;

**WHEREAS**, in connection with the issuance of the Prior Bonds, the District and the Issuer entered into a Site Lease and a Lease Agreement, each dated as of December 1, 2005 (the "Prior Leases"), with respect to certain real property as more fully described in such Prior Leases (the "Leased Premises");

**WHEREAS**, in connection with the redemption in whole of the Prior Bonds, the Prior Leases will be terminated and the encumbrances on the Leased Premises thereby created will be released;

**WHEREAS**, pursuant to a Site Lease, dated as of April 1, 2008 (the "Site Lease"), between the Issuer and the District, the District will lease the Leased Premises to the Issuer;

**WHEREAS**, pursuant to a Lease Agreement, dated as of April 1, 2008 (the "Lease Agreement"), between the Issuer and the District, the Issuer will lease the Leased Premises back to the District, and the District will make rental payments under such Lease Agreement in an amount sufficient to make payments on the Bonds;

**WHEREAS**, pursuant to Section 41329.55(a) of the California Education Code, the Controller of the State is obligated to apportion directly to the Trustee, from moneys in the State School Fund designated for apportionment to the District pursuant to Section 42238 of the Education Code, amounts necessary to pay all rental payments under the Lease Agreement;

**WHEREAS**, pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement") between Banc of America Securities LLC, acting on behalf of itself, and such other underwriters as may be named therein (collectively, the "Underwriter"), the Treasurer of the State of California (the "Treasurer"), the Issuer and the District, the Issuer and the District agree, upon satisfaction of certain conditions, to cause the Treasurer to sell the Bonds, and the Trustee, upon issuance of the Bonds by the Issuer, to authenticate and deliver the Bonds to or upon the order of the Underwriter;

**WHEREAS**, the Bonds will be offered for sale pursuant to an Official Statement (the "Official Statement");

**WHEREAS**, there are on file with the Secretary of the Issuer proposed forms of:

- (a) Trust Agreement;
- (b) Site Lease;
- (c) Lease Agreement;
- (d) Bond Purchase Agreement; and
- (e) Official Statement;

**NOW THEREFORE**, be it resolved by the Board of the California Infrastructure and Economic Development Bank, as follows:

**Section 1.** The recitals set forth above are true and correct.

**Section 2.** The Issuer is hereby authorized to issue Bonds, pursuant to this resolution and the Trust Agreement, in one or more series at fixed rates, designated as "Lease Revenue Refunding Bonds (Oakland Unified School District Financing)" with appropriate series designations, in an aggregate principal amount not to exceed \$68,000,000, for the purpose of (i) refunding the Prior Bonds, (ii) funding necessary reserves and, if applicable, credit enhancement costs, and (iii) paying the costs of issuing the Bonds.

**Section 3.** The Treasurer is hereby authorized and requested to sell the Bonds within ninety (90) days of receipt of this resolution, at private sale to the Underwriter, at such price(s) and at such interest rate or rates as he may determine.

**Section 4.** The proposed form of Trust Agreement on file with the Secretary, is hereby approved. The Executive Director and the Chair of the Issuer or the Chair's designee, and each of them acting alone, are hereby authorized and directed, for, on behalf and in the name of the Issuer, to execute, acknowledge and deliver to the Trustee, the Trust Agreement in substantially the form on file with the Secretary, and the Secretary of the Issuer is authorized to attest thereto, with such insertions and changes therein as the officials executing the same, with the advice of the Issuer's counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The date, maturity dates (which shall not exceed 20 years from the date of issuance of the Prior Bonds), interest rates or method of determining the same, interest payment dates, insurance provisions, denominations, forms, registration privileges, place or places of payment, terms of redemption and tender and other terms of the Bonds shall be as provided in said Trust Agreement, as finally executed.

**Section 5.** The proposed form of Lease Agreement on file with the Secretary, is hereby approved. The Executive Director and the Chair of the Issuer or the Chair's designee, and each of them acting alone, are hereby authorized and directed, for, on behalf and in the name of the Issuer, to execute, acknowledge and deliver to the District the Lease Agreement, in substantially said form, as appropriate, with such changes therein as the official executing the same, with the advice of the Issuer's counsel, may approve, such approval to be conclusively evidenced by execution and delivery thereof.

**Section 6.** The proposed form of the Site Lease on file with the Secretary, is hereby approved. The Executive Director and the Chair of the Issuer or the Chair's designee, and each of them acting alone, are hereby authorized and directed, for, on behalf and in the name of the Issuer, to execute, acknowledge and deliver to the District the Site Lease in substantially said form, as appropriate, with such changes therein as the official executing the same, with the advice of the Issuer's counsel, may approve, such approval to be conclusively evidenced by execution and delivery thereof.

**Section 7.** The proposed form of Bond Purchase Agreement on file with the Secretary is hereby approved. The Executive Director and the Chair of the Issuer or the Chair's

designee, and each of them acting alone, are hereby authorized and directed, for, on behalf and in the name of the Issuer, to execute and deliver the Bond Purchase Agreement to the other parties thereto, with such insertions and changes therein as the official executing the same, with the advice of the Issuer's counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 8.** The proposed form of Official Statement relating to the Bonds on file with the Secretary is hereby approved. The Executive Director and Chair of the Issuer or the Chair's designee, and each of them acting alone, are hereby authorized, for, on behalf and in the name of the Issuer, to sign and deliver to the Underwriter the final version of such Official Statement, with such changes therein as such official, with the advice of the Issuer's counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby authorized to distribute and deliver copies of said Official Statement to purchasers of the Bonds.

**Section 9.** The Executive Director and Chair of the Issuer or the Chair's designee, each acting alone, are hereby authorized and directed to execute, by manual or facsimile signature, in the name and on behalf of the Issuer, the Bonds, in an aggregate principal amount not to exceed the amount authorized hereunder, in accordance with the Trust Agreement and in the form or forms set forth in the Trust Agreement.

**Section 10.** The Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee pursuant to the Trust Agreement. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's certificate of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Bonds, when duly executed and authenticated, to The Depository Trust Company, New York, New York (the "Depository") on behalf of the purchasers thereof in accordance with written instructions executed on behalf of the Issuer by the Chair, the Chair's designee, or the Executive Director, which instructions said officials are hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and to deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Depository, on behalf of the purchasers thereof, upon payment of the delivery price thereof.

**Section 11.** The form of Trust Agreement on file with the Secretary contains brackets pertaining to possible credit enhancement of the Bonds and purchase of a Reserve Facility (as that term is defined in the Trust Agreement). The Executive Director and the Chair, and each of them acting alone, are authorized to determine the following and amend the documents to reflect that determination: (1) whether it is more cost effective to issue the Bonds with or without credit enhancement; and (2) whether it is more cost effective to purchase a Reserve Facility or to use Bond proceeds to fund a reserve.

**Section 12.** All actions heretofore taken by the officials and authorized representatives of the Issuer with respect to the reimbursement of the Apportionment and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and the officials and authorized representatives of the Issuer are hereby authorized and directed, jointly and severally, to do any and all things, and to execute and deliver any and all documents and certificates, including without limitation one or more tax certificates; a continuing disclosure certificate or

agreement; an implementation agreement; one or more investment agreements, guaranteed investment contracts, forward delivery agreements or other investment vehicles for moneys in any of the funds or accounts held by the Trustee under the Trust Agreement; a letter of representations or similar document to the Depository; documents relating to any credit enhancement or ancillary agreements or derivative products relating to the Bonds; one or more escrow agreements in connection with the redemption of the Prior Bonds, contracts with bond counsel, disclosure counsel, post-bond issuance administrators, investment advisors, accountants and other lawyers, consultants and experts; and such other documents as described in the Trust Agreement, the Bond Purchase Agreement and the other documents herein approved, which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds, the performance by the Issuer of the obligations on its part contained in the Bonds, the redemption of the Prior Bonds, the Site Lease, the Lease Agreement, the Trust Agreement and the Bond Purchase Agreement, the consummation by the Issuer of all other transactions on its part contemplated by the Official Statement and the Bond Purchase Agreement, and otherwise to effectuate the purpose of this resolution.

**Section 13.** This resolution shall take effect immediately upon its passage.

PASSED, APPROVED AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on April 15, 2008, by the following vote:

AYES: Matteucci, Lujano, Sheehan, Saragosa, Rice  
NOES: None  
ABSENT: None  
ABSTAIN: None

By:   
Stanton C. Hazelroth, Executive Director

ATTEST:

By:   
Roma Cristia-Plant, Secretary